



# County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION  
LOS ANGELES, CALIFORNIA 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA  
Chief Executive Officer

July 8, 2008

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF TREASURER AND TAX COLLECTOR:  
RECOMMENDATION TO AWARD CONTRACT FOR  
REAL PROPERTY AUCTIONEERING SERVICES TO KENNEDY WILSON, INC.  
(ALL DISTRICTS) (3 VOTES)**

**SUBJECT**

The County Treasurer and Tax Collector (TTC) issued a Request For Proposal (RFP) to solicit proposals for Real Property Auctioneering Services. The California Probate Code requires the Public Administrator (PA) to take charge of and administer decedent estates for which no estate representative has been appointed. The TTC also serves as the PA and, under contract, also provides administrative services to the County Public Guardian as representative of certain conservatee estates. The PA has the fiduciary duty to take prompt possession or control of an estate that is subject to loss, injury, waste or misappropriation and to protect the interests of heirs and creditors in the estate. The proposal submitted by Kennedy Wilson, Inc. (KW) for these services was evaluated and rated according to their responsiveness to criteria included in the RFP. Based on TTC's evaluation, TTC is recommending approval and contract award to KW to provide continued real property auctioneering services.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and instruct the Chair to sign the attached contract with KW, to provide real property auctioneering services to TTC commencing August 19, 2008, or upon the date of Board approval, whichever is later, at a Commission Rate of 4% of the gross sales.

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

2. Delegate authority to TTC to execute future amendments to extend the contract for a maximum of four (4) one-year renewals and six (6) month-to-month extensions at the option of TTC in accordance with the Term of the contract.
3. Delegate authority to TTC to execute future amendments to modify the terms of the Statement of Work that do not materially alter the contract, and/or to add and/or change certain terms and conditions in the contract as required by the Board of Supervisors or Chief Executive Officer, provided County Counsel approval is obtained prior to execution of such amendments.
4. Delegate authority to TTC to approve if necessary, any assignment and delegation of services performed by KW, in order to ensure continuation of the real property auctioneering service needs to meet TTC's fiduciary obligations to decedent estates under its administration, provided that County Counsel approval is obtained prior to such assignment.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The California Probate Code requires the PA of each county to take charge of and administer decedent estates for which no personal representative has been appointed. TTC serves as the PA for Los Angeles County and, under contract, also provides administrative services to the County Public Guardian as representative of certain conservatee estates. The California Probate Code authorizes the PA to sell personal property of decedent estates, when necessary for the best interest of the estates.

TTC currently contracts with KW to provide real property auctioneering services that will expire August 18, 2008. The new proposed contract with KW will ensure continuation of the real property auctioneering service needs of TTC. The recommended contract will commence August 19, 2008, or upon your Board's approval, whichever is later.

#### **Implementation of Strategic Plan Goals**

The approval of this contract is consistent with the County's Strategic Plan Goal of Organizational Effectiveness and Fiscal Responsibility. The recommended contract provides for ongoing real property auctioneering services.

#### **FISCAL IMPACT/FINANCING**

There is no net County cost, as the auctioneer will be paid a commission of up to a maximum of 4% of gross sales from each auction of estate assets.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Pursuant to Government Code Section 31000, the Board is authorized to contract for special services. The contract contains the County's required provisions, including the requirement for the contractor to notify and assist its employees with the Federal Earned Income Tax Credit application process, the consideration of qualified GAIN/GROW participants for employment openings, compliance with the Jury Duty Ordinance, Safely Surrendered Baby Law, and contractor notification to County when contract is within six (6) months from expiration of term.

The recommended contract with KW is for a term of one (1) year with four (4) one-year and six (6) month-to-month extensions, for a maximum term of five (5) years and six (6) months. The contractor is in compliance with all Board, Chief Executive Office and County Counsel requirements. KW will not be asked to perform services that exceed the contract Commission Rate, scope of work, or contract dates of the contract. The contract expressly provides that the County has no obligation to pay for expenditures by KW that exceed the maximum contract Commission Rate. Additionally, the contract contains performance standards, including liquidated damages for substandard and/or non-performance.

The attached contract with KW has been reviewed and approved as to form by County Counsel.

### **CONTRACTING PROCESS**

TTC released the RFP for Real Property Auctioneering Services on March 19, 2008. The RFP's were released to one hundred and thirty-six (136) prospective proposers; thirty-seven (37) via U.S. mail and ninety-nine (99) via e-mail. The prospective proposers are listed in Attachment I, which consists of TTC's proposers list, vendors researched from the Internet, and the Los Angeles County online Website of vendors. A notice of the RFP was posted on the TTC Website and the Los Angeles County Bid Website (Attachment II). A Mandatory Proposer's Conference was held Wednesday, April 9, 2008, with six (6) firms attending. The proposal submission due date was Wednesday, April 23, 2008.

One (1) firm responded with a proposal by the due date, KW, and one (1) late proposal was received on April 24, 2008 at 12:00 p.m. from Martin Mayerfeld Auctioneers. As stated in the RFP, the late proposal was returned to the proposer.

The proposal submitted by KW met all of the minimum RFP requirements and was responsive to the RFP. The proposal was evaluated and rated according to their

The Honorable Board of Supervisors  
July 8, 2008  
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responsiveness to criteria included in the RFP. As required by TTC, the proposal submitted by KW provided a description of KW's qualifications, their proposed approach to provide services, and a quality control plan.

Minority, Women, Disadvantaged or Disabled Veteran Business Enterprise statistical information for KW is included in (Attachment III). KW is not a certified Small Business Enterprise/Community Based Enterprise. The recommendation of KW is made without regard to race, creed or color. There are no provisions for Cost of Living Adjustment in the attached contract. This is not a Proposition A contract; and therefore, is exempt from the Living Wage Program (County Code Chapter 2.201).

### **IMPACT ON CURRENT SERVICES**

The current Contract for real property auctioneering services expires on August 18, 2008. The recommended Contract will enable the contractor to continue the provision of real property auctioneering services for TTC.

### **CONCLUSION**

Instruct the Executive Officer of the Board to return two (2) signed originals of the contract and one (1) adopted Board letter to TTC.

Respectfully submitted,



WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:MJS

Attachments

c: County Counsel  
Auditor-Controller  
Treasurer and Tax Collector

Pacific Coast Realty & Auction  
Edmond Bisson  
3810 Pacific Coast Hwy.  
Torrance, CA

Fairway Real Estate  
Theora Granville  
3659 Fairway Blvd.  
Los Angeles, CA 90043

Homeowners Realty Inc.  
Verdel Hubbard  
4401 Crenshaw Blvd., Suite 215  
Los Angeles, CA 90043

A-Auctioneer Broker Co.  
Junius Johnson  
124 N. Market Street  
Inglewood, CA 90301

Major Properties  
Brad Luster  
1200 W. Olympic Blvd.  
Los Angeles, CA 90015

Century Financial, Ltd.  
Martin Mayerfeld  
867 W. Glentana Street  
Covina, CA 91722

Nationwide Auction Systems  
David Nelson  
13005 Temple Avenue  
Industry, CA 91746

The Piatelli Co., Inc.  
Mario Piatelli  
9300 Wilshire Blvd., Suite 520  
Beverly Hills, CA 90212

Flans and Weiner, Inc.  
Larry Weiner  
16200 Ventura Blvd., Suite 417  
Encino, CA 91436

Kennedy-Wilson, Inc.  
Rhett Winchell  
9601 Wilshire Blvd., Suite 200  
Beverly Hills, CA 90210

Coulter and Associates  
Charles Coulter  
471 W. Lambert Road, #113  
Brea, CA 92821

Coulter and Associates  
Becky Romero  
451 W. Lambert Road, Suite 216  
Brea, CA 92821

Orrill's Auctions  
  
1910 W. Adams Blvd.  
Los Angeles, CA 90018

A.N. Abell Auctioneers  
Robert Abell  
2613 Yates Avenue  
Commerce, CA 90040

Pacific Credit  
Bob Andrade  
P.O. Box 488  
Buena Park, CA 90621

Bendis Companies, Inc.  
Jan Bendis  
3410 La Sierra Ave., Suite F-123  
Riverside, CA 92503

Sperry Van Ness, Inc.  
Aaron Betancourt  
18881 Von Karmann #800  
Irvine, CA 92612

James Burks, Jr.  
304 South Central Avenue  
Compton, CA 90220

Allstate – Interstate Auctions  
Alex Civca  
9750 Telfair Ave.  
Arleta, CA 91331

Farash Real Estate Consulting  
Barbara Farash  
8577 Rugby Dr., Suite 103  
West Hollywood, CA 90069

Fields Auction and Commercial Real  
Estate Services  
Rich Fields  
23552 Saint Elena  
Mission Viejo, CA 92691

Real Estate Disposition Corporation  
Robert Friedman  
9 Goodyear  
Irvine, CA 92618

Accelerated Marketing Group  
Todd Good  
2102 Business Center Drive  
Irvine, CA 92612

Joran Grinker and Associates  
Jordan Grinker  
10590 Dunleer Drive  
Los Angeles, CA 90064

American Standard Auctioneers  
David Handelman  
22647 Ventura Blvd., Suite 235  
Woodland Hills, CA 91364

U.S. Enterprises  
Walter Johnson  
PO Box 1337  
Rancho Cucamonga, CA 91701

Baldwin Hills Realty, Inc.  
Frank Jones  
2609 28th Street  
Santa Monica, CA 90405

Ocean Star  
Peter Lee  
145 N. Atlantic Blvd., Suite 201  
Monterey Park, CA 91765

John S. Manocchia Auctioneer &  
Realtor  
John Manocchia  
1741 N. Rose Street  
Burbank, CA 91505

Thomas Maxim & Associates  
Thomas Maxim  
4433 W. Sepulveda Blvd.  
Tarzana, CA 90505

Eric Montgomery  
246 Sepulveda  
San Pedro, CA 90731

The Liquidation Company, Inc.  
Brian Myers  
19528 Ventura Blvd., #376  
Tarzana, CA 91356

Leonard M. Rood Company  
Leonard Rood  
3832 Moundview  
Studio City, CA 91604

Max Rouse & Sons, Auctioneers  
Max Rouse  
361 S. Robertson Blvd.  
Beverly Hills, CA 90211

Robert Rouse & Associates  
Robert Rouse  
1117 S. Robertson Blvd.  
Los Angeles, CA 90035

Schol Auction Service  
Robert Schol  
18012 Hiawatha #164  
Northridge, CA 91326

Super Auctions  
Robert Storment  
PO Box 6922  
Huntington Beach, CA 92615

Joe Tadlock Auctioneer  
Joe Tadlock  
13418 Leffingwell Road  
Whittier, CA 90605

Auction-CA  
Leo Tamir  
4850 Louise Ave.  
Encino, CA 91316

Remarketing Associates, Inc.  
Jefferey Tanenbaum  
28118 Agoura Road, #102  
Agroua Hills, CA 91301

Great American Auctioneers  
Jeffrey Tannenbaum  
3847 Grand View Blvd.  
Los Angeles, CA 90066

Walters and Associates  
Michael Walters  
14731 Franklin Ave., Suite J  
Tustin, CA 92780

Rich Wasser, Auctioneers  
Rich Wasser  
5825 Seaside Walk  
Long Beach, CA 90803

Global Investment Enterprises  
Gregory Winslow  
4311 Wilshire Blvd., Suite 312  
Los Angeles, CA 90010

Sperry Van Ness, Inc.  
Patti Zeis  
18881 Von Karmann  
Irvine, CA 92612

## ATTACHMENT II

### FIRM/ORGANIZATION INFORMATION AS PROVIDED BY PROPOSER REAL PROPERTY AUCTIONEERING SERVICES

The following information was gathered for statistical purposes only. On final analysis and consideration of award, vendor was selected without regard to gender, race, creed or color.

<b>FIRM INFORMATION</b>	<b>Kennedy Wilson</b>	
<b>CULTURAL/ETHNIC COMPOSITION</b>	<b>% of Ownership</b>	<b>No.</b>
<b>OWNERS/ PARTNERS:</b>		
Black/African American	N/A	
Hispanic/Latino	N/A	
Asian or Pacific Islander	N/A	
American Indian	N/A	
Filipino	N/A	
All others	N/A	
Women (included above)		
<b>MANAGERS:</b>		
Black/African American	2	
Hispanic/Latino	8	
Asian or Pacific Islander	4	
American Indian		
Filipino		
All others	95	
Women (included above)		
<b>STAFF:</b>		
Black/African American	16	
Hispanic/Latino	63	
Asian or Pacific Islander	18	
American Indian		
Filipino		
All others	98	
Women (included above)		
<b>TOTAL NUMBER OF EMPLOYEES</b>	304	
<b>BUSINESS STRUCTURE</b>	Corporation	
<b>Certified as Minority, Woman, Disadvantaged or Disabled Veteran Business Enterprise?</b>	No	

## DOING BUSINESS WITH US

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**L.A. county**  
 ONLINE

*To Enrich Lives Through Effective and Caring Service*

 Search for an  
 Open Bid

 A B C D E F  
 G H I J K L  
 M N O P Q R  
 S T U V W X  
 Y Z All

## Search By

Bid Title

Submit

## Sort By

Bid Title

Sort

## Bid Detail Information

**Bid Number :** TTC RFP 2008-01 RPA

**Bid Title :** REAL PROPERTY AUCTIONEERING SERVICES TTC RFP 2008-01

**Bid Type :** Service

**Department :** Treasurer and Tax Collector

**Commodity :** AUCTIONEERING SERVICES

**Open Date :** 3/19/2008

**Closing Date :** 4/23/2008 4:00 PM

**Bid Amount :** N/A

**Bid Download :** Available

**Bid Description :** POTENTIAL PROPOSERS ARE RESPONSIBLE FOR CHECKING THIS WEB  
 SUBSEQUENT UPDATES

The County of Los Angeles Treasurer and Tax Collector (TTC) is requesting property auctioneering services.

The RFP can be downloaded from the internet by either accessing the County of Los Angeles website at: <http://camisvr.co.la.ca.us/lacobids> and selecting "View Open Bids" and then "List Open Bids" or by clicking on the "Contracting Opportunities" link on the County of Los Angeles website at: <http://tfc.lacounty.gov> by clicking on the "Contracting Opportunities" link. Potential Proposers must take care to download and review the entire RFP. The RFP contains the service content and format requirements, a description of the proposal selection process that meet the minimum requirements identified in the Minimum Mandatory Requirements. Potential Proposers are invited to submit a proposal to provide the services described further in (Appendix B) of the RFP. Potential Proposers should carefully review the RFP and ensure that the proposal complies with all RFP requirements.

A Mandatory Proposers' Conference, to answer questions regarding the written RFP, will be held at 10:00 a.m., Pacific Time, on Wednesday, April 9, 2008, at the Hall of Administration, 100 North Temple Street, Room 140, Los Angeles, CA 90012. Any firm submitting a proposal without attending the Mandatory Proposers' Conference or will be disqualified. To register to attend the Mandatory Proposers' Conference, contact Mr. Victor Andrade, TTC Contracts Section, at (213) 893-0941 by April 7, 2008.

RFP responses must be prepared in accordance with Section 2.0, Proposal Submission. RFP responses are due no later than 4:00 p.m., Pacific Time, on Wednesday, April 9, 2008, and must be delivered or mailed to: Treasurer and Tax Collector – Contracts Section, 500 West Temple Street, Los Angeles, CA 90012. Proposals received after the scheduled deadline will not be opened and will be returned to the sender unopened.

**Contact Name :** Victor Andrade

**Contact Phone# :** (213) 974-7360

**Contact Email :** [contracts@tfc.lacounty.gov](mailto:contracts@tfc.lacounty.gov)
**Last Changed On :** 3/19/2008 9:47:46 AM

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**CONTRACT**

**BY AND BETWEEN COUNTY OF LOS ANGELES**

**AND**

**KENNEDY WILSON, INC.**

**FOR**

**REAL PROPERTY AUCTIONEERING SERVICES**

76628

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### STANDARD EXHIBITS

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### FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION

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G3	CONTRACTOR NON-EMPLOYEE ACKNOWLEDGMENT, CONFIDENTIALITY AND COPYRIGHT ASSIGNMENT AGREEMENT	
H	JURY SERVICE ORDINANCE	
I	SAFELY SURRENDERED BABY LAW	

**CONTRACT BETWEEN  
COUNTY OF LOS ANGELES  
AND  
KENNEDY WILSON, INC.  
FOR  
REAL PROPERTY AUCTIONEERING SERVICES**

This Contract and Exhibits made and entered into this 8<sup>th</sup> day of July, 2008 by and between the County of Los Angeles, hereinafter referred to as County and Kennedy Wilson, hereinafter referred to as Contractor. Kennedy Wilson is located at 9601 Wilshire Blvd. Suite 220, Beverly Hills, CA 90210.

**RECITALS**

WHEREAS, pursuant to Government Code Section 31000 which authorizes the Board of Supervisors to contract for special services; and

WHEREAS, the Contractor is a private firm specializing in providing Real Property Auctioneering Services; and

WHEREAS, Contractor has submitted a proposal to the Treasurer and Tax Collector (TTC) for provision of Real Property Auctioneering Services and based upon the request for proposal process, Contractor has been selected for recommendation for award of such Contract;

WHEREAS the TTC serves as the Public Administrator in the County of Los Angeles; and

WHEREAS, the Board of Supervisors has authorized the TTC to administer this Contract;

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

## **1.0 APPLICABLE DOCUMENTS**

Exhibits A, B, C, D, E, F, G, H, and I are attached to and form a part of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Contract and then to the Exhibits according to the following priority.

### **Standard Exhibits:**

- 1.1 EXHIBIT A - Statement of Work
- 1.2 EXHIBIT B - Commission Rate
- 1.3 EXHIBIT C – Technical Exhibits
- 1.4 EXHIBIT D - Contractor's EEO Certification
- 1.5 EXHIBIT E - County's Administration
- 1.6 EXHIBIT F - Contractor's Administration
- 1.7 EXHIBIT G - Forms Required at the Time of Contract Execution
- 1.8 EXHIBIT H - Jury Service Ordinance
- 1.9 EXHIBIT I - Safely Surrendered Baby Law

This Contract and the Exhibits hereto constitute the complete and exclusive statement of understanding between the parties, and supersedes all previous Contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to Sub-paragraph 8.1 - Amendments and signed by both parties.

## 2.0 DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 2.1 **Contract:** Agreement executed between County and Contractor. It sets forth the terms and conditions for the issuance and performance of the Statement of Work, Exhibit A.
- 2.2 **Contractor:** The sole proprietor, partnership, or corporation that has entered into a contract with the County to perform or execute the work covered by the Statement of Work.
- 2.3 **Contractor Contract Manager:** The individual designated by the Contractor to administer the Contract operations after the Contract award.
- 2.4 **County Contract Monitor:** Person with responsibility to oversee the day to day activities of this Contract. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by the Contractor.
- 2.5 **County Contract Administrator:** Person designated by County with authority for County on contractual or administrative matters relating to this Contract that cannot be resolved by the County's Manager.
- 2.6 **County Contract Manager:** Person designated by County's Contract Administrator to manage the operations under this Contract.
- 2.7 **County Secured Property Liaison:** Person designated by County with authority for County on all matters pertaining to the defaulted Tax Auction Calling services.
- 2.8 **Day(s):** Calendar day(s) unless otherwise specified.
- 2.9 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.

### **3.0 WORK**

- 3.1** Pursuant to the provisions of this Contract, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in herein.
- 3.2** If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor shall have no claim whatsoever against the County.

### **4.0 TERM OF CONTRACT**

#### **4.1 Initial Term**

The term of this Contract shall be one (1) year commencing August 19, 2008 and following award and execution by County's Board of Supervisors, or unless sooner terminated or extended, in whole or in part, as provided in this Contract (the "Initial Term").

#### **4.2 Extended Term**

4.2.1 At the end of the Initial Term, the County shall have the sole option to extend this Contract for up to four (4) additional one-year periods and six (6) month to month extensions, for a maximum total Contract term of five (5) years and six (6) months ("Extended Term"). Each such option and extension shall be exercised at the sole discretion of the Treasurer and Tax Collector throughout the term of the Contract to meet the needs of the County. To implement an extension of time, an Amendment to the Contract shall be prepared and executed by the Contractor and by the TTC. Contractor's commission rates shall remain firm and fixed for the term of the Contract, including option extensions.

- 4.3** The Contractor shall notify TTC when this Contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to TTC at the address herein provided in Exhibit E - County's Administration.

## **5.0 PAYMENT**

### **5.1 Commission Payment**

By the end of the next business day (5:00 p.m.) after completing the sale of real property, Contractor shall submit the "Offer to Purchase Real Property" form to TTC. This form shall state the amount of sales commission and/or compensation Contractor shall receive, which is subject to court confirmation. Sales commission and/or compensation and compensation for Special Circumstances shall be in accordance with Exhibit B (Payment Schedule).

TTC shall file a Report of Sale and Petition for Order Confirming Sale of Real Property with the court, which states the actual provision of Services by Contractor. Payment of sales commission and/or compensation for Services performed for real property must receive Court confirmation prior to disbursement. Disbursement of payment to Contractor shall be made at the close of Escrow.

### **5.2 Fixed Daily Rate**

Contractor shall submit invoice to the County within 24 (twenty-four) hours following the completion of a Tax Defaulted Property or Special Circumstance Auction. The invoice shall include at minimum the date, time, location, and name of Contractor staff present at the Tax Defaulted Property or Special Circumstance Auction. Upon approval of invoice by County's Secured Property Liaison, County will reimburse Contractor within 30 days of receipt of an invoice according to the fixed daily rate indicated in Exhibit B, Payment Schedule, Item 2, Tax Defaulted Property Fixed Daily Rate Sales Schedule.

## **6.0 ADMINISTRATION OF CONTRACT – COUNTY**

### **COUNTY ADMINISTRATION**

A listing of all County Administration personnel referenced in the following Sub-paragraphs are designated by name and contact information in Exhibit E - County's Administration. The County shall notify the Contractor in writing of any change in the names or addresses shown.



### **6.1 County's Contract Administrator**

Responsibilities of the County's Contract Administrator include:

- ensuring that the objectives of this Contract are met; and
- providing direction to the Contractor in the areas relating to County policy, information requirements, and procedural requirements. In cases relating to Tax Defaulted Property, the County Secured Property Liaison will assume the duties corresponding to the County Contract Administrator.

### **6.2 County's Contract Manager**

The responsibilities of the County's Contract Manager include:

- meeting with the Contractor's Contract Manager on a regular basis; and
- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor.

The County's Contract Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

### **6.3 County's Contract Monitor**

The County's Contract Monitor is responsible for overseeing the day-to-day administration of this Contract. The Contract Monitor reports to the County's Contract Manager.

### **6.4 County's Secured Property Liaison**

The County Secured Property Liaison is responsible for all matters pertaining to the defaulted Tax Auction Calling services.

## **7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR**

### **7.1 Contractor's Contract Manager**

7.1.1 The Contractor's Contract Manager is designated in Exhibit F - Contractor's Administration. The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Contract Manager.

7.1.2 The Contractor's Contract Manager shall be responsible for the Contractor's day-to-day activities as related to this Contract and shall coordinate with County's Contract Manager and County's Contract Monitor on a regular basis.

7.1.3 The Contractor's Contract Manager must have five (5) years of experience.

## **7.2 Approval of Contractor's Staff**

County has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in the Contractor's staff, including, but not limited to, the Contractor's Contract Manager.

**7.3 Notice of Personnel Changes:** The Contractor shall inform the TTC Contract Administrator in writing of the names, addresses, and telephone numbers of the individuals designated to act as Contract Manager and alternate Contract Manager at the time the Contract is implemented and as changes occur during the term of the Contract. Such notification shall be made by the Contractor no later than five (5) business days after a change occurs and shall include a current resume for the new person. The TTC shall have the right to approve the assignment or replacement of any personnel recommended by the Contractor.

## **7.4 Contractor's Staff Identification**

Contractor shall provide, at Contractor's expense, all staff providing services under this Contract with a photo identification badge.

7.4.1 Contractor is responsible to ensure that employees have ID badges before they are assigned to work in a County facility. Contractor personnel may be asked to leave a County facility by a County representative if they do not have the proper ID badge on their person.

7.4.2 Contractor shall provide adequate staff to complete the public auction. All Contractor's staff and representatives shall wear

matching shirts, jackets, or vests with Contractor's logo clearly visible, in order to be easily identified by the public and by TTC.

## **7.5 Background and Security Investigations**

7.5.1 All Contractor employees performing work under this Contract may be required to undergo and pass, to the satisfaction of TTC, a background investigation as a condition of beginning and continuing to work under this Contract. Contractor shall provide periodic updates as changes occur in Contractor staffing for the performance of work under this Contract during the term of this Contract, or when requested by TTC. Background investigation checks shall be performed in the manner and method required by TTC, which may include, but are not limited to, Live Scan fingerprinting. Examples of disqualifying factors include, but are not limited to, bribery, robbery, theft, fraud, embezzlement, forgery, extortion and perjury, or possession, sale or attempt to sell a controlled substance, and possession, sale or attempt to sell stolen property, or any felony conviction or conviction of a misdemeanor involving moral turpitude, and job-related misdemeanor convictions. The fees associated with obtaining the background information shall be at the sole expense of the Contractor, regardless whether the Contractor's employees pass or fail the background clearance investigation.

7.5.2 TTC may request that Contractor's employee(s) be immediately removed from working on this Contract at any time during the term of the Contract. TTC will not provide to Contractor or to Contractor's employee(s) any information obtained through the required background clearance.

7.5.3 TTC may immediately deny or terminate facility access to Contractor's employees who do not pass such

investigation(s) to the satisfaction of TTC, or whose background or conduct is incompatible with County facility access, at the sole discretion of TTC.

7.5.4 Personnel assigned by Contractor to perform under this Contract shall at all times have on their person two forms of identification, which shall include a photo identification, indicating the person's name and identification number, e.g., California Driver License, California Identification Card, Matricula Consular or Company Identification.

7.5.5 Disqualification, if any, of Contractor employees, pursuant to this Subparagraph 7.5, shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

## **7.6 Confidentiality**

7.6.1 The Contractor shall maintain the confidentiality of all records obtained from the County under this Contract in accordance with all applicable federal, State or local laws, ordinances, regulations and directives relating to confidentiality.

7.6.2 The Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.

7.6.3 The Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the provisions of the "Contractor Employee Acknowledgment and Confidentiality Agreement", Exhibit G2, signed and provided to TTC within three (3) working days whenever there is a change in staff.

7.6.4 The Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the provisions of the "Contractor Non-Employee

Acknowledgment and Confidentiality Agreement,” Exhibit G3, signed and provided to TTC within three (3) working days whenever there is a change in staff.

## **8.0 STANDARD TERMS AND CONDITIONS**

### **8.1 CHANGE NOTICES AND AMENDMENTS**

- 8.1.1 The County reserves the right to initiate Change Notices that **do not affect** the Work, Term, or Commission Rate or payments. All such changes shall be accomplished with an executed Change Notice signed by the Contractor and by County’s Contract Administrator.
- 8.1.2 For any change which affects the Work, payments, or any term or condition included under this Contract, an Amendment shall be prepared and executed by the Contractor and the Treasurer and Tax Collector.
- 8.1.3 The County’s Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County’s Board of Supervisors or Chief Administrative Officer. To implement such changes, an Amendment to the Contract shall be prepared and executed by the Contractor and by TTC.
- 8.1.4 The TTC may at his/her sole discretion, authorize extensions of time as defined in Paragraph 4.0 - Term of Contract. The Contractor agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract shall be prepared and executed by the Contractor and by the TTC in accordance with Paragraph 4.0.
- 8.1.5 For any change which affects the Term of Contract, Commission Rate included in this Contract, a negotiated

amendment shall be prepared therefore, executed by Contractor, and thereafter by County's Board of Supervisors.

## **8.2 ASSIGNMENT AND DELEGATION**

8.2.1 The Contractor shall not assign its rights nor delegate its duties under this Contract, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this sub-paragraph, County consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.

8.2.2 Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.

8.2.3 If any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's

express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

### **8.3 AUTHORIZATION WARRANTY**

The Contractor represents and warrants that the person executing this Contract for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Contract and that all requirements of the Contractor have been fulfilled to provide such actual authority.

### **8.4 BUDGET REDUCTIONS**

In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County Contracts, the County reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions), and the services to be provided by the Contractor under this Contract shall also be reduced correspondingly. The County's notice to the Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, the Contractor shall continue to provide all of the services set forth in this Contract.

### **8.5 COMPLAINTS**

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

8.5.1 Within **fifteen (15)** business days after Contract effective date, the Contractor shall provide TTC with the Contractor's

policy for receiving, investigating and responding to user complaints.

8.5.2 TTC will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.

8.5.3 If TTC requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) business days for County approval.

8.5.4 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to TTC for approval before implementation.

8.5.5 The Contractor shall preliminarily investigate all complaints and notify the **County's Contract Administrator** of the status of the investigation within five (5) business days of receiving the complaint.

8.5.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.

8.5.7 Copies of all written responses shall be sent to the **County's Contract Administrator** within three (3) business days of mailing to the complainant.

## **8.6 COMPLIANCE WITH APPLICABLE LAW**

8.6.1 The Contractor shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

8.6.2 The Contractor shall indemnify and hold harmless the County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, arising from or related to any violation on the part of the Contractor or its employees,



agents, or subcontractors of any such laws, rules, regulations, ordinances, or directives.

## **8.7 COMPLIANCE WITH CIVIL RIGHTS LAWS**

The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. The Contractor shall comply with Exhibit D - Contractor's EEO Certification.

## **8.8 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM**

### **8.8.1 Jury Service Program:**

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Exhibit H and incorporated by reference into and made a part of this Contract.

### **8.8.2 Written Employee Jury Service Policy.**

1. Unless the Contractor has demonstrated to the County's satisfaction either that the Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), the Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days

of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

2. For purposes of this Sub-paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If the Contractor uses any Subcontractor to perform services for the County under the Contract, the Subcontractor shall also be subject to the provisions of this Sub-paragraph. The provisions of this Sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.
3. If the Contractor is not required to comply with the Jury Service Program when the Contract commences, the Contractor shall have a continuing obligation to review

the applicability of its “exception status” from the Jury Service Program, and the Contractor shall immediately notify the County if the Contractor at any time either comes within the Jury Service Program’s definition of “Contractor” or if the Contractor no longer qualifies for an exception to the Jury Service Program. In either event, the Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion that the Contractor demonstrates to the County’s satisfaction that the Contractor either continues to remain outside of the Jury Service Program’s definition of “Contractor” and/or that the Contractor continues to qualify for an exception to the Program.

4. Contractor’s violation of this Sub-paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar the Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

## **8.9 CONFLICT OF INTEREST**

- 8.9.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County’s approval, or ongoing evaluation,

of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

8.9.2 The Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this Sub-paragraph shall be a material breach of this Contract.

**8.10 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST**

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the Contractor shall give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

**8.11 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS**

Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor minimum qualifications for the open position. For this purpose, consideration

shall mean that the Contractor will interview qualified candidates.

The County will refer GAIN/GROW participants by job category to the Contractor. Contractor shall contact the nearest GAIN/GROW office to obtain referrals. A list of GAIN/GROW offices may be obtained via the internet at:

<http://www.ladpss.org/dpss/gainservices/default.cfm>

In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

## **8.12 CONTRACTOR RESPONSIBILITY AND DEBARMENT**

### **8.12.1 Responsible Contractor**

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible Contractors.

### **8.12.2 Chapter 2.202 of the County Code**

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the Contractor may have with the County.

#### **8.12.3 Non-responsible Contractor**

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

#### **8.12.4 Contractor Hearing Board**

1. If there is evidence that the Contractor may be subject to debarment, TTC will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and TTC shall be provided an opportunity to object to the tentative

proposed decision prior to its presentation to the Board of Supervisors.

3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
4. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.
5. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation.

Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

#### **8.12.5 Subcontractors of Contractor**

These terms shall also apply to Subcontractors of County Contractors.

### **8.13 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW**

The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of



Children and Family Services will supply the Contractor with the poster to be used.

**8.14 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

8.14.1 The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through Contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

8.14.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

**8.15 COUNTY'S QUALITY ASSURANCE PLAN**

The County or its agent will evaluate the Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the County determines are severe or continuing and that may place performance of the Contract in

jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and the Contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

#### **8.16 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS**

8.16.1 The Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by the Contractor or employees or agents of the Contractor. Such repairs shall be made immediately after the Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

8.16.2 If the Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by the Contractor by cash payment upon demand.

#### **8.17 EMPLOYMENT ELIGIBILITY VERIFICATION**

8.17.1 The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The

Contractor shall retain all such documentation for all covered employees for the period prescribed by law.

8.17.2 The Contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

#### **8.18 FACSIMILE REPRESENTATIONS**

The County and the Contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to Sub-paragraph 8.1, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

#### **8.19 FAIR LABOR STANDARDS**

The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Contractor's employees for which the County may be found jointly or solely liable.

## **8.20 GOVERNING LAW, JURISDICTION, AND VENUE**

This Contract shall be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

## **8.21 INDEPENDENT CONTRACTOR STATUS**

8.21.1 This Contract is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

8.21.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.

8.21.3 The Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Contract.

8.21.4 The Contractor shall adhere to the provisions stated in Sub-paragraph 7.6 - Confidentiality.

## **8.22 INDEMNIFICATION**

The Contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with the Contractor's acts and/or omissions arising from and/or relating to this Contract.

## **8.23 GENERAL INSURANCE REQUIREMENTS**

Without limiting the Contractor's indemnification of the County and during the term of this Contract, the Contractor shall provide and maintain, and shall require all of its Subcontractors to maintain, the following programs of insurance specified in this Contract. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by the County. Such coverage shall be provided and maintained at the Contractor's own expense.

8.23.1 **Evidence of Insurance:** Certificate(s) or other evidence of coverage satisfactory to the County shall be delivered to:

Treasurer and Tax Collector  
Contracts Section  
500 West Temple Street, Room 464  
Los Angeles, California 90012  
Attn.: Contract Manager

fifteen (15) business days prior to commencing services under this Contract. Such certificates or other evidence shall:

- Specifically identify this Contract;
- Clearly evidence all coverages required in this Contract;

- Contain the express condition that the County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance;
- Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insureds for all activities arising from this Contract; and
- Identify any deductibles or self-insured retentions for the County's approval. The County retains the right to require the Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to the County, or, require the Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

8.23.2 **Insurer Financial Ratings:** Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of not less than A:VII unless otherwise approved by the County.

8.23.3 **Failure to Maintain Coverage:** Failure by the Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to the County, shall constitute a material breach of the Contract upon which the County may immediately terminate or suspend this Contract. The County, at its sole option, may obtain damages from the Contractor resulting from said breach.

Alternatively, the County may purchase such required insurance coverage, and without further notice to the Contractor, the County may deduct from sums due to the Contractor any premium costs advanced by the County for such insurance.

**8.23.4 Notification of Incidents, Claims or Suits: Contractor shall report to the County:**

- Any accident or incident relating to services performed under this Contract which involves injury or property damage which may result in the filing of a claim or lawsuit against the Contractor and/or the County. Such report shall be made in writing within 24 hours of occurrence.
- Any third party claim or lawsuit filed against the Contractor arising from or related to services performed by the Contractor under this Contract.
- Any injury to a Contractor employee that occurs on County property. This report shall be submitted on a County "Non-employee Injury Report" to the County's Project Manager.
- Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to the Contractor under the terms of this Contract.

**8.23.5 Compensation for County Costs:** In the event that the Contractor fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to the County, the Contractor shall pay full compensation for all costs incurred by the County.

#### 8.23.6 Insurance Coverage Requirements for Subcontractors:

The Contractor shall ensure any and all Subcontractors performing services under this Contract meet the insurance requirements of this Contract by either:

- The Contractor providing evidence of insurance covering the activities of Subcontractors, or
- The Contractor providing evidence submitted by Subcontractors evidencing that Subcontractors maintain the required insurance coverage. The County retains the right to obtain copies of evidence of Subcontractor insurance coverage at any time.

### 8.24 INSURANCE COVERAGE REQUIREMENTS

8.24.1 General Liability Insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate	\$2 million
Products/Completed Operations Aggregate	\$1 million
Personal and Advertising Injury	\$1 million
Each Occurrence	\$1 million

8.24.2 Automobile Liability Insurance (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all “owned”, “hired” and “non-owned” vehicles, or coverage for “any auto”.

8.24.3 Workers’ Compensation and Employers’ Liability Insurance providing workers’ compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which Contractor is responsible. In all cases, the above insurance shall also include Employers’ Liability coverage with limits of not less than the following:

Each Accident	\$1 million
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Disease - Policy Limit \$1 million

Disease - Each Employee \$1 million

8.24.4 **Professional Liability** insurance covering liability arising from any error, omission, negligent or wrongful act of Contractor, its officers or employees with limits of not less than \$1 million per occurrence and \$1 million aggregate. The coverage also shall provide an extended two (2) year reporting period commencing upon termination or cancellation of this Contract.

8.24.5 **Crime Coverage** insurance limits in amounts not less than indicated below covering against loss of money, securities, or other property referred to in this Contract, and naming the County as loss payee.

Employee Dishonesty: \$1 million

Theft, Disappearance & Destruction: \$1 million

8.24.6 **Surety Bond**

Pursuant to California Civil Code, Title 2.95 (commencing with Section 1812.600), "every auctioneer and auction company shall maintain a bond issued by a surety company admitted to do business in this state." A photocopy of the Surety Bond (Bond) and deposit receipt of the Bond filed with the Secretary of State in the sum of not less than twenty thousand dollars (\$20,000).

## 8.25 ADDITIONAL DAMAGES

8.25.1 If, in the judgment of the TTC, or his/her designee, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the TTC, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may instruct escrow to withhold the entire monthly payment or deduct pro rata from the Contractor's invoice for work not performed. Or in lieu of a deduction, County may invoice Contractor for said

damages. A description of the work not performed and the amount to be withheld or deducted from payments to the Contractor from the County, will be forwarded to the Contractor by the TTC, or his/her designee, in a written notice describing the reasons for said action.

8.25.2 If the TTC, or his/her designee, determines that there are deficiencies in the performance of this Contract that the TTC, or his/her designee, deems are correctable by the Contractor over a certain time span, the TTC, or his/her designee, will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the TTC, or his/her designee, may:

(a) Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or

(b) Liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is One Hundred Dollars (\$100) per day per infraction, or as specified in the Performance Requirements Summary (PRS) Chart, as defined in Appendix C, Technical Exhibit 2, hereunder, and that the Contractor shall be liable to the County for liquidated damages in said amount. Said amount shall be deducted from the County's payment to the Contractor; or in lieu a deduction, County may invoice Contractor for said damages; and/or

(c) Upon giving five (5) days notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the

County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the County, as determined by the County.

8.25.3 The action noted in Sub-paragraph 8.25.2 shall not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Contract.

8.25.4 This Sub-paragraph shall not, in any manner, restrict or limit the County's right to damages for any breach of this Contract provided by law or as specified in the PRS or Sub-paragraph 8.25.2, and shall not, in any manner, restrict or limit the County's right to terminate this Contract as agreed to herein.

#### **8.26 MOST FAVORED PUBLIC ENTITY**

If the Contractor's prices decline, or should the Contractor at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to the County.

#### **8.27 NONDISCRIMINATION AND AFFIRMATIVE ACTION**

8.27.1 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

8.27.2 The Contractor shall certify to, and comply with, the provisions of Exhibit D - Contractor's EEO Certification.

- 8.27.3 The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.27.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, or physical or mental disability, marital status, or political affiliation.
- 8.27.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.
- 8.27.6 The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Sub-paragraph 8.27 when so requested by the County.

- 8.27.7 If the County finds that any provisions of this Sub-paragraph 8.27 have been violated, such violation shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Contract.
- 8.27.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Contract, the County shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

#### **8.28 NON-EXCLUSIVITY**

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with the Contractor. This Contract shall not restrict TTC from acquiring similar, equal or like goods and/or services from other entities or sources.

#### **8.29 NOTICE OF DELAYS**

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one (1) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

### **8.30 NOTICE OF DISPUTES**

The Contractor shall bring to the attention of the County's Contract Manager and/or County's Contract Administrator any dispute between the County and the Contractor regarding the performance of services as stated in this Contract. If the County's Contract Manager or County's Contract Administrator is not able to resolve the dispute, the TTC, or designee shall resolve it.

### **8.31 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT**

The Contractor shall notify its employees, and shall require each Subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

### **8.32 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW**

The Contractor shall notify and provide to its employees, and shall require each Subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit I of this Contract and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

### **8.33 NOTICES**

All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibits E - County's Administration and F - Contractor's Administration. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The TTC shall have the

authority to issue all notices or demands required or permitted by the County under this Contract.

#### **8.34 PROHIBITION AGAINST INDUCEMENT OR PERSUASION**

Notwithstanding the above, the Contractor and the County agree that, during the term of this Contract and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

#### **8.35 PUBLIC RECORDS ACT**

8.35.1 Any documents submitted by the Contractor; all information obtained in connection with the County's right to audit and inspect the Contractor's documents, books, and accounting records pursuant to Sub-paragraph 8.37 - Record Retention and Inspection/Audit Settlement of this Contract; as well as those documents which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation process for this Contract, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

8.35.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential", or

“proprietary”, the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney’s fees, in action or liability arising under the Public Records Act.

#### **8.36 PUBLICITY**

8.36.1 The Contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor’s need to identify its services and related clients to sustain itself, the County shall not inhibit the Contractor from publishing its role under this Contract within the following conditions:

- The Contractor shall develop all publicity material in a professional manner; and
- During the term of this Contract, the Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County’s Contract Administrator. The County shall not unreasonably withhold written consent.

8.36.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Sub-paragraph 8.36 shall apply.

#### **8.37 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT**

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Contract. The Contractor agrees that



the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Contract. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County during the term of this Contract and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

8.37.1 In the event that an audit of the Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

8.37.2 Failure on the part of the Contractor to comply with any of the provisions of this Sub-paragraph 8.37 shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.

8.37.3 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the County conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

**8.37.4 Financial Statements:** Beginning one (1) year after the Effective Date and every year thereafter, until the expiration of this Contract, Contractor shall submit to County a complete set of audited financial statements for the twelve (12) month period. Such statements shall, at a minimum, include a Balance Sheet (Statement of Financial Position), and Income Statement (Statement of Operations). In addition, Contractor shall submit a statement regarding any pending litigation since Contractor last reported same to County. County reserves the right to request these audited financial statements on a more frequent basis and will so notify Contractor in writing.

### **8.38 RECYCLED BOND PAPER**

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

### **8.39 SUBCONTRACTING**

8.39.1 The requirements of this Contract may not be subcontracted by the Contractor **without the advance approval of the County**. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.

8.39.2 If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request:

- A description of the work to be performed by the Subcontractor;
- A draft copy of the proposed subcontract; and
- Other pertinent information and/or certifications requested by the County.

8.39.3 The Contractor shall indemnify and hold the County harmless with respect to the activities of each and every Subcontractor in the same manner and to the same degree as if such Subcontractor(s) were the Contractor employees.

8.39.4 The Contractor shall remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.

8.39.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including Subcontractor employees, providing

services under this Contract. The Contractor is responsible to notify its Subcontractors of this County right.

8.39.6 The County's Contract Administrator is authorized to act for and on behalf of the County with respect to approval of any subcontract and Subcontractor employees.

8.39.7 The Contractor shall be solely liable and responsible for all payments or other compensation to all Subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.

8.39.8 The Contractor shall obtain certificates of insurance, which establish that the Subcontractor maintains all the programs of insurance required by the County from each approved Subcontractor. The Contractor shall ensure delivery of all such documents to:

County of Los Angeles

Treasurer and Tax Collector – Contracts Section

500 West Temple Street, Room 464

Los Angeles, California, 90012

e-mail address:contracts@ttc.lacounty.gov

fax # (213) 687-4857

before any Subcontractor employee may perform any work hereunder.

#### **8.40 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

Failure of the Contractor to maintain compliance with the requirements set forth in Sub-paragraph 8.14 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract,

failure of the Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the County may terminate this Contract pursuant to Sub-paragraph 8.42 - Termination for Default and pursue debarment of the Contractor, pursuant to County Code Chapter 2.202.

#### **8.41 TERMINATION FOR CONVENIENCE**

8.41.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

8.41.2 After receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall:

- Stop work under this Contract on the date and to the extent specified in such notice, and
- Complete performance of such part of the work as shall not have been terminated by such notice.

8.41.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by the Contractor in accordance with Sub-paragraph 8.37, Record Retention & Inspection/Audit Settlement.

## **8.42 TERMINATION FOR DEFAULT**

8.42.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Contract, if, in the judgment of County's Contract Administrator:

- Contractor has materially breached this Contract; or
- Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
- Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

8.42.2 In the event that the County terminates this Contract in whole or in part as provided in Sub-paragraph 8.42.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this Sub-paragraph.

8.42.3 Except with respect to defaults of any Subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in Sub-paragraph 8.42.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such

causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a Subcontractor, and if such default arises out of causes beyond the control of both the Contractor and Subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this Sub-paragraph 8.42.3, the terms "Subcontractor" and "Subcontractors" mean Subcontractor(s) at any tier.

8.42.4 If, after the County has given notice of termination under the provisions of this Sub-paragraph 8.42, it is determined by the County that the Contractor was not in default under the provisions of this Sub-paragraph 8.42, or that the default was excusable under the provisions of Sub-paragraph 8.42.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Sub-paragraph 8.41 - Termination for Convenience.

8.42.5 The rights and remedies of the County provided in this Sub-paragraph 8.42 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.43 TERMINATION FOR IMPROPER CONSIDERATION**

- 8.43.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to the Contractor's performance pursuant to this Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.
- 8.43.2 The Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.
- 8.43.3 Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

#### **8.44 TERMINATION FOR INSOLVENCY**

- 8.44.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:
- Insolvency of the Contractor. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the



Contractor is insolvent within the meaning of the Federal Bankruptcy Code;

- The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for the Contractor; or
- The execution by the Contractor of a general assignment for the benefit of creditors.

8.44.2 The rights and remedies of the County provided in this Subparagraph 8.44 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.45 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE**

The Contractor, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the Contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

#### **8.46 TERMINATION FOR NON-APPROPRIATION OF FUNDS**

Notwithstanding any other provision of this Contract, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County

shall notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

**8.47 VALIDITY**

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

**8.48 WAIVER**

No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this Subparagraph 8.48 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

**8.49 WARRANTY AGAINST CONTINGENT FEES**

8.49.1 The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

8.49.2 For breach of this warranty, the County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

**8.50 USE OF COUNTY SEAL AND/OR TTC'S LOGO**

Contractor shall not use or display the official seal of the County of Los Angeles or the TTC's logo on any of its letterheads or other communications with any businesses, or for any other reason.

## **9.0 UNIQUE TERMS AND CONDITIONS**

### **9.1 LOCAL SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE PROGRAM**

- 9.1.1 This Contract is subject to the provisions of the County's ordinance entitled Local Small Business Enterprise Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code.
- 9.1.2 The Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Local Small Business Enterprise.
- 9.1.3 The Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Local Small Business Enterprise.
- 9.1.4 If the Contractor has obtained certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:
  - 1. Pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;

2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent of the amount of the contract; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the state and OAAC of this information prior to responding to a solicitation or accepting a contract award.

The above penalties shall also apply if the Contractor is no longer eligible for certification as a result in a change of their status and the Contractor failed to notify the State and the County's Office of Affirmative Action Compliance of this information.

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IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer of the Board of Supervisors thereof, the day and year first above written.

CONTRACTOR: Kennedy Wilson, Inc.

By Rmilla W. Will  
Name  
President  
Title

COUNTY OF LOS ANGELES

By Gloria B. Bunte  
Chair, Board of Supervisors

ATTEST:

SACHI A. HAMAI  
Executive Officer  
of the Board of Supervisors



I hereby certify that pursuant to  
Section 25103 of the Government Code,  
delivery of this document has been made.

SACHI A. HAMAI  
Executive Officer  
Clerk of the Board of Supervisors

By Arundhati Khanna  
Deputy

By Arundhati Khanna  
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.  
COUNTY COUNSEL

By Arundhati Khanna  
Deputy County Counsel

**ADOPTED**  
BOARD OF SUPERVISORS  
LOS ANGELES

# 19

JUL 08 2008

Sachi A. Hamai  
SACHI A. HAMAI  
EXECUTIVE OFFICER

## **EXHIBIT A**

### **STATEMENT OF WORK**

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## 1.0 SERVICE REQUIREMENTS

### 1.1 SCOPE

1.1.1 The standard procedures governing real property auctioneering are discussed in Paragraphs 1.2-1.7 of this Section 1.0 (Service Requirements) and include property referrals, office coverage, sales preparation, public auction, court confirmation and escrows. The properties to be auctioned may include single-family homes, multi-family housing, condominiums, townhouses, commercial properties, unimproved land and mobile homes. All sales, with the exception of mobile homes, are subject to court confirmation of the sale prior to opening escrow. All auctioneering services shall be completed in accordance with the following regulations:

- a. California Probate Code Sections 10000-10207 and 10300-10363, which governs the sale of real property.
- b. California Welfare and Institutions Code Section 10850, which governs the confidential nature, availability and disclosure of records.
- c. California Civil Code Title 2.95 of Part 4 of Division 3, which governs auctioneers.

The County may choose to use additional Contractors and/or exclusive agents at any time for certain types of real properties which the County determines to require special handling or expertise.

### 1.2 PROPERTY REFERRALS

- 1.2.1 The County shall refer a list of the properties proposed for sale to the Contractor for auction via fax or other means/media as appropriate.
- 1.2.2 The Contractor shall create an individual file for each property which shall include at minimum the following items:
  - a. The Contract to Secure Purchasers of Real Property
  - b. Copies of all required published legal notices
  - c. Copies of notices sent to anyone who may have requested information regarding the specific property
  - d. The offer of purchase form
  - e. The established minimum bid, if any (minimum bid is subject to review and approval by the County for each property referred by the County)
- 1.2.3 The Contractor shall be available to coordinate with the County Contract Administrator to schedule sales, coordinate staffing, share and maintain sales files.
- 1.2.4 The County shall provide the Contractor, on a monthly basis as available, an updated list of prospective bidders for inclusion on the Contractor's mailing list. The Contractor shall continuously maintain a cumulative, up-to-date bidders' list.



### 1.3 OFFICE COVERAGE

- 1.3.1 The Contractor shall have a direct business telephone number with staff available to receive telephone calls from the public requesting auction information. The Contractor telephone personnel will be available Monday through Friday during normal business hours and shall be trained to handle all inquiries and have all the necessary information regarding the auction
- 1.3.2 The Contractor shall have an Auction Information Office where the public may, during the hours of 8:00 a.m. to 6:00 p.m., Monday through Friday, obtain auction information in person. Such available information, at a minimum, shall include each property's Preliminary Title Report, copies of purchase and sale Contracts, color brochures, condominium documents when applicable, and general auction information.
- 1.3.3 The Contractor shall have available to the public a web site that will include each property's Preliminary Title Report, copies of purchase and sale Contracts, color photos of the properties and marketing brochures, condominium documents when applicable, and general auction information.
- 1.3.4 All incoming inquiries will be directed to the Contractor's Contract Manager and will receive follow-up contacts within a reasonable time.

### 1.4 SALES PREPARATION

- 1.4.1 The Contractor shall be responsible for posting, in plain view, a "For Sale" sign on the property within five (5) working days of receiving the list of properties from the County, as described in 1.2.1 above. Such sign shall be erected at the Contractor's expense and shall be in compliance with any local laws or ordinances related to "For Sale" signs. At a minimum, the sign should indicate date of sale, auction information, the Contractor's telephone number and an indication the estate is being auctioned by order of the Los Angeles County Public Administrator. During the period prior to the auction, the Contractor will ensure that such sign remains on the property and will promptly replace any missing or defaced signs.
- 1.4.2 The Contractor shall, within ten (10) working days of property referral, develop a property marketing plan for each individual property and provide it to the County's Contract Administrator for review and approval. Such plan shall contain, at a minimum, the following:
  - a. Proposed scope (including size, frequency, publication location/media, etc.) of advertising through newspapers, direct mail and other print media. For example:
    - 1. **NEWSPAPER ADS:** At a minimum, advertising for each property shall include advertisements in the Business Section of the Sunday edition of the Los Angeles Times (LA Times) and the Wednesday edition of the Daily Commerce; additional advertisements will be placed in appropriate local newspapers as often as necessary. The Contractor will include additional advertisements in the LA Times Classified Section referencing the Business Section ad as needed. Each property shall be advertised a minimum of three times.

2. **MULTIPLE LISTING SERVICE (MLS):** When appropriate, the Contractor will advertise in the Multiple Listing Services (MLS); such placement shall be determined on a case by case basis and at the discretion of the Contractor.
  - b. Proposed scope of public showings for inspection by prospective bidders: at a minimum, such showings will be held on a weekend one week prior to the auction, for at least two (2) hours and also on auction day, for one (1) hour prior to the start of the auction. Additional showings and/or extended inspection periods will be scheduled if the Contractor or the County determines the property warrants such activity. Unimproved land is not subject to this pre-auction showing.
- 1.4.3 After the marketing plan is approved, the Contractor shall advertise each property on the various websites utilized by the Contractor.
  - 1.4.4 At a minimum, the Contractor shall prepare and mail a written public auction notice to all parties on the bidders list provided by the County as well as other parties on the Contractor's own mailing lists, including local owners and brokers. The Contractor will send a minimum of 2,000 direct mail brochures to prospective buyers from the Contractor's proprietary mailing list.
  - 1.4.5 All the advertisements shall include the estate name, auction date and time, all property inspection dates and times, a brief description of the property, and clearly indicate that there is to be a 50/50 commission split for brokers' participation.
  - 1.4.6 The Contractor shall also be responsible for publishing and paying for the legal notices required by Probate Code Section 10300. Such publication shall be for at least ten (10) days: three (3) publications in a newspaper published once a week or more often, with at least five days intervening between the first and last publication dates. The period of notice commences upon the first day of publication and terminates either at the end of the day of the third publication or at the end of the tenth day, whichever period is longer.
  - 1.4.7 All costs associated with sales preparation shall be paid by the Contractor from the Contractor commission on sales and are a cost of doing business not subject to reimbursement by the County.
- 1.5 **PUBLIC AUCTION**
- 1.5.1 The Contractor shall establish an on-site public auction sale on all properties located within Los Angeles County and may establish an on-site public auction on any properties located in adjacent counties. Unimproved land may be auctioned from a nearby property site which is also scheduled to be auctioned, from the County Courthouse, or from the Public Administrator's warehouse.
  - 1.5.2 The Contractor shall be responsible for providing adequate staff to secure the property, manage crowd control and complete the public auction. The Contractor shall also provide a licensed real estate broker to be present and conduct the public auction at each property site.

- 1.5.3 The Contractor's staff shall make improved real property available for inspection to prospective bidders for at least one (1) hour prior to the start of the public auction.
- 1.5.4 The auctions shall be held monthly or as needed on Saturdays and/or Sundays for Public Administrator properties and semi-annually on Mondays and/or Tuesday for Special Circumstance Tax Defaulted properties, unless otherwise agreed to in writing by the County and the Contractor. The County staff shall attend each auction.
- 1.5.5 The Contractor shall register all prospective bidders prior to the public auction. To qualify for bidding and registration, each prospective bidder must show proof of holding a minimum of \$5,000 in the form of cash or a cashier's check. This amount, however, is subject to change by the County. **In addition, Contractor shall verify all prospective bidders are not employees of County's Departments of County Counsel, Mental Health or Treasurer & Tax Collector, who are forbidden by law and/or policy from bidding on or acquiring the property of a decedent or conservatee.**
- 1.5.6 The legal notice and terms of sale shall be read verbally to the prospective bidders by the Contractor's personnel. Auctioneers may be held liable for any misrepresentations. All bidder questions shall be answered prior to accepting bids and the entire sale process shall be audio taped or recorded in such means/media acceptable to the TTC. Upon request, recordings shall be submitted to the County within five (5) working days after the auction, unless requested sooner.
- 1.5.7 The Contractor shall cooperate with all real estate agents representing prospective bidders at the auction. Sales commissions and/or compensation for the sale of real property shall be divided as negotiated between the Contractor and broker.
- 1.5.8 The Contractor shall ensure that the "Offer to Purchase" form is completed and signed at the auction site. The "Offer to Purchase" shall be submitted to the County within one (1) business day of the auction.
- 1.5.9 The Contractor shall collect a deposit of at least ten (10%) percent of the selling price of the real property from the buyer at the auction. Payment of the deposit shall consist of \$5,000 in the form of a cashier's check or cash, with the balance paid in cash, cashier's check or personal check. The deposit shall be held in the Contractor's Trust Account until the court confirmation hearing is concluded. If the buyer is not overbid and the sale is confirmed, Contractor shall pay over to County the amount of the bid deposit, to be held in trust by the County outside of escrow for the benefit of the decedent estate or conservatee. Any interest earned on said deposit shall inure to the benefit of the buyer. If the buyer is overbid by another buyer at the confirmation hearing, the Contractor shall (1) return the unsuccessful buyer's deposit, and (2) collect the new bid deposit from the successful buyer and pay it over to County.

The trust accounts where Contractor holds these deposits shall be at financial institutions acceptable to the County and shall be federally insured through FDIC or shall meet the rating agencies standards as follows: an A2 or better rating from Moody's and/or an A or better from Standard and Poor's. Information on ratings can be obtained from the Contractor's financial institution.

- 1.5.10 Mobile Homes Distinction: Once the sale of a mobile home has been consummated, the Contractor shall deduct its sales commission and other approved expenses approved by the County to be paid from the gross receipts. Payment of the net proceeds shall be made to the County within two (2) business days. The Contractor shall also show the County proof of the payment of sales tax to the California State Franchise Tax Board.

**1.6 TAX DEFAULTED PROPERTY SALES**

- 1.6.1 Upon 30 days advance written request of County Contract Secured Property Division Liaison, Contractor shall provide tax defaulted property auction calling services. Tax defaulted property auctions shall be held semi-annually on Mondays and/or Tuesdays, unless otherwise agreed upon in writing by the County and the Contractor.
- 1.6.2 Contractor shall be responsible for providing auction staff for the provision of calling services only and shall not be responsible for any sales preparation, advertising, or marketing activities relating to the sale of tax defaulted properties.
- 1.6.3 Contractor shall be available from 8:00 a.m. until 5:00 p.m. on tax defaulted property auction days, unless otherwise agreed upon between the County and the Contractor.
- 1.6.4 Once the tax defaulted auction sale has been concluded, the Contractor shall invoice County according to payment provisions outlined in the Sample Contract, Paragraph 5, Payment, and Exhibit B, Payment Schedule, Item 2, Tax Defaulted Property Fixed Daily Rate Sales Schedule of this RFP. The invoice shall include at minimum the date, time, location, and name of Contractor staff present at the auction. Upon approval of invoice by County Contract Administrator, County will reimburse Contractor within 30 days of receipt of an invoice according to the fixed daily rate indicated in Exhibit B, Payment Schedule, Item 2, Tax Defaulted Property Fixed Daily Rate Sales Schedule.

**1.7 COURT CONFIRMATION**

- 1.7.1 County Counsel represents the County at all court confirmations and the Contractor shall be responsible for providing expert witness testimony as requested by County Counsel. The Contractor's representative shall attend the court confirmation hearing and shall be prepared to testify, if required.
- 1.7.2 Bidders who register on the day of the sale of the property shall be informed of the court confirmation date by the Contractor in writing 14 business days prior to the court date, to encourage their attendance and overbidding of the successful auction buyer's bid at the confirmation hearing.
- 1.7.3 The Contractor shall also promote overbidding by advertising the confirmation hearing through MLS, various websites regularly utilized by the Contractor, direct mail to local owners and brokers, and the "Probate Bulletin" section in the Daily Commerce.

- 1.7.4 The Contractor's representative shall not represent over bidders at the court confirmation hearing nor shall the Contractor be entitled to any additional commissions.
- 1.7.5 The Contractor shall submit the successful buyer's deposit to the County at the conclusion of the confirmation hearing. In the event the original buyer is overbid in court, the Contractor will return the original bid deposit to the original buyer at that time.
- 1.7.6 The decedent estate or conservatee shall not be liable for the Contractor's commission on sales unless the court confirms such sale and the sale is consummated. Commission shall be paid in accordance with the Probate Code.

## **1.8 ESCROWS**

- 1.8.1 The Contractor shall be responsible for coordinating and opening the escrow on the property and to ensure problems are examined and resolved within the escrow period.
- 1.8.2 The Contractor shall make available to the buyer the list of qualified escrow companies under Master Contract with County for buyer selection of an escrow company. The escrow shall be opened within one business day after the court confirmation.
- 1.8.3 The Contractor shall make available the Contractor's messenger service to the County on related escrows at no County expense.
- 1.8.4 No later than the fifth (5) business day of each month, the Contractor shall provide the County with a monthly escrow status report of all properties for the prior month. This report should outline the progress of each buyer in meeting the terms of the sales contract.
- 1.8.5 At close of escrow, the Contractor shall provide the property keys to the buyer.

## **1.9 ADDITIONAL SERVICES**

- 1.9.1 The Contractor shall make available to the County online access to title information.
- 1.9.2 The Contractor shall make the following reports available upon request:
  - a. Daily Tracking Reports
    - Preliminary Marketing Flyer Report
    - Brochure Request Report
    - Individual Media Report
    - General Traffic Report
  - b. Pre-Auction Campaign Status Report
  - c. Post-Auction Inquiries Tracking Report
  - d. Auction Sales Tracking Report

- 1.9.3 When necessary and upon request, the Contractor will interview conventional brokers if the County elects to sell a remote area property with a conventional broker. County reserves the right to participate in such interviews.
- 1.9.4 When necessary and upon written request, the Contractor will provide services of a subcontractor auctioneer to conduct County Secured Tax Defaulted Real Property sales.

#### **1.10 PROPERTY CLASSIFICATIONS**

- 1.10.1 Attachment A of this Appendix B (Statement of Work) of this RFP contains specific property classifications and the number of properties auctioned during prior fiscal years.
- 1.10.2 Total properties auctioned and total gross sales may increase or decrease during each fiscal year (July 1<sup>st</sup> through June 30<sup>th</sup>). Given these deviations, the TTC cannot guarantee any specific level of work and/or gross sales to the Contractor. The data provided in Attachment A of this Appendix B (Statement of Work) of this RFP is presented solely as historical information and may not be indicative of any future workload. Referrals are typically made on a monthly basis.

### **2.0 GENERAL REQUIREMENTS**

#### **2.1 COUNTY PERSONNEL – TTC CONTRACT ADMINISTRATOR**

- 2.1.1 The TTC shall assign a Contract Administrator to provide overall management and coordination for the Contract and act as the central liaison for TTC and the County. The TTC Contract Administrator shall provide overall direction and coordination of the entire Contract. The TTC Contract Administrator shall also provide information to the Contractor in areas relating to policy, program information and procedural requirements pertaining to the specific real properties referred for sale by the TTC. In addition, the TTC Contract Administrator will monitor the Contractor's compliance with the Contract and overall performance with regard to all of the required services.

#### **2.1.2 COUNTY'S CONTRACT MONITOR**

The County's Contract Monitor is responsible for overseeing the day-to-day administration of this Contract. The Contract Monitor reports to the County's Contract Manager.

#### **2.1.3 COUNTY SECURED PROPERTY LIAISON**

The County Secured Property Liaison is responsible for all matters pertaining to the defaulted Tax Auction Calling services.

#### **2.2 CONTRACTOR'S CONTRACT MANAGER**

- 2.2.1 The Contractor shall assign a Contract Manager to act as liaison for the Contractor and who has full authority to act on behalf of the Contractor in all matters related to the daily operation of the Contract. An alternate shall also be designated to act in the Contract Manager's absence. The Contractor's Contract

Manager and alternate shall possess a valid California Real Estate Brokers' License and maintain such in good standing and five (5) years of documented related experience (e.g., resume, degree, certificate of completion) in providing real property auctioneering services either with the Contractor or documented experience with another firm prior to employment with the Contractor.

- 2.2.2 The Contractor shall inform the TTC Contract Administrator in writing of the names, addresses, and telephone numbers of the individuals designated to act as Contract Manager and alternate at the time the Contract is implemented and as changes occur during the term of the Contract. Such notification shall be made by the Contractor no later than five (5) business days after a change occurs and shall include a current resume and copy of the real estate brokers' license for the new Contract Manager or alternate. The TTC shall have the right to approve the assignment or replacement of any Contract Manager or alternate recommended by the Contractor.
- 2.2.3 The Contractor's Contract Manager, or the alternate, shall be available on a daily basis Monday through Friday during the hours of 8:00 a.m. to 5:00 p.m. for telephone contact and to meet with County personnel regarding the operation of the Contract. The Contractor's Contract Manager shall meet with the TTC Contract Administrator as appropriate and as often as necessary to discuss the Contractor's performance pursuant to the Contract. A mutual effort will be made to promptly resolve any problems and performance deficiencies identified.

### **2.3 CONTRACTOR EMPLOYEES**

- 2.3.1 The Contractor is responsible for providing, training, and supervising the personnel assigned to perform services under the Contract. All personnel assigned by the Contractor to perform these services shall at all times be employees of the Contractor and the Contractor shall have the sole right to hire, suspend, discipline, or discharge them. However, any employee of the Contractor who, in the opinion of the County, is unsatisfactory shall be removed from the performance of services related to the Contract immediately upon the written request of the County Contract Administrator.
- 2.3.2 All personnel providing services in conjunction with the Contract will be required to sign an Employee Acknowledgement and Confidentiality as set forth in Exhibits G1, G2, and G3, of Appendix A, Sample Contract of this RFP. During the term of the Contract, the Contractor shall maintain an updated file of the signed forms at all times and shall forward copies of all signed forms to the County Contract Administrator within five (5) business days of assigning an employee to provide services under the Contract. Contractor shall notify County in writing of any changes in personnel within 5 business days of choosing same.
- 2.3.3 The Contractor shall ensure a high standard of conduct of its personnel, including compliance at all times with any applicable State and Federal regulations related to real property sales and auctions and the specific requirements of the Contract. The Contractor's employees are precluded from directly or indirectly purchasing property of any kind from any Public Administrator auction or sale or any tax defaulted property auction.

2.3.4 The Contractor's personnel assigned to provide services under the Contract shall, at a minimum, possess the following:

- a. Ability to speak, read and write fluently in the English language.
- b. Ability to communicate effectively using good judgment and discretion.
- c. Prior training and experience in performing the required services.
- d. Ability to comply with the requirements of the Contract.

## **2.4 CONTRACTOR'S QUALITY CONTROL**

The Contractor shall establish and maintain a written Quality Control Plan to ensure that the requirements of the Contract are met. A copy of the Contractor's Quality Control Plan must be provided to the County Contract Administrator within ten (10) business days following: a) the start date of the Contract; and b) any changes which may occur during the term of the Contract. The plan shall discuss, but not be limited to, the following:

2.4.1 The Contractor's quality control or monitoring system covering the required services. It must specify the administrative functions and activities to be monitored on either a scheduled or an unscheduled basis, how often monitoring will be accomplished, and the title of the individual(s) who will perform the monitoring.

2.4.2 The methods for identifying and preventing deficiencies in the quality of service performed before the level of performance becomes unacceptable and not in compliance with the contract.

2.4.3 The methods for documenting the monitoring results and, if necessary, the corrective action taken.

## **2.5 COMPLAINTS**

2.5.1 In the event the Contractor receives any verbal or written complaints regarding the contracted services, the Contractor shall immediately notify the County Contract Administrator. Such notification shall be by telephone, and followed in writing within three (3) business days. The Contractor shall provide the County Contract Administrator with a copy of any written complaint within three (3) business days of receipt of the written complaint. The County Contract Administrator shall immediately notify the Contractor of any verbal or written complaints about the Contractor by telephone and follow up in writing within three (3) business days, and shall provide the Contractor with copies of any written complaints received by the County within three (3) business days of receipt.

2.5.2 The Contractor shall promptly investigate all complaints received and provide a written report to the County Contract Administrator regarding the disposition of each verbal and written complaint within five (5) business days of written notification of such complaint. Minimum elements of the written report shall include a statement of the complaint, identification by name of the Contractor employee(s) involved, results of the Contractor's investigation of the complaint, and a statement regarding the corrective action taken to avoid a recurrence of such a complaint. the Contractor is also required to maintain a master complaint log of all complaints received.



2.5.3 The County retains the right to terminate the Contract in accordance with Paragraph 8.42 (Termination for Default), of Appendix A, Sample Contract of this RFP, if the Contractor does not take any action with regards to said complaint(s).

## **2.6 GOVERNMENT OBSERVATIONS**

County personnel and personnel from other governmental jurisdictions, other than the County Contract Administrator, may from time to time observe the Contractor's operations related to this contract. However, these personnel will not unreasonably interfere with the Contractor personnel or operations.

## **2.7 MEETINGS**

Contractor shall meet with the County Contract Manager at reasonable times, as determined by the County Contract Manager. In the event the meeting(s) pertain to Secured Property Tax Auction calling services, Contractor shall meet with the County Secured Property Division Liaison as necessary. Failure to attend mandatory meetings will be cause for an assessment of one thousand dollars (\$1,000.00) per occurrence.

# **3.0 PERFORMANCE REQUIREMENTS SUMMARY**

## **3.1 TECHNICAL EXHIBIT - PERFORMANCE REQUIREMENTS SUMMARY**

3.1.1 A Performance Requirements Summary (PRS), Appendix C, Technical Exhibit 2 listing required services that will be monitored by the County during the term of this Contract is an important tool for the County. The purpose of the PRS Chart is to:

- a. List the required services which will be monitored by the TTC during the term of this Contract (Column 1);
- b. Identify the performance standards for satisfactory performance (Column 2);
- c. Explain the quality monitoring method the TTC will use to evaluate the Contractor's performance in meeting the contract requirements (Column 3); and
- d. Indicate the deductions/fees to be assessed (Column 4).

3.1.2 The services listed in the PRS are intended to be completely consistent with the Contract and with this SOW, and are not meant in any case to create, extend, revise, or expand any obligation of Contractor beyond that defined in the Contract and the SOW. In any case of apparent inconsistency between services as stated in the Contract and the SOW and this PRS, the meaning apparent in the Contract and the SOW will prevail. No service is created in the PRS which is not clearly and forthrightly set forth in the Contract and the SOW.

3.1.3 When the Contractor's performance does not conform to the requirements of the Contract, the County will have the option to apply any or all of the following non-performance remedies:

3.1.4 Require Contractor to implement a formal corrective action plan, subject to approval by the County. In the plan, the Contractor must include reasons for the unacceptable performance, specific steps to return performance to an acceptable level, and monitoring methods to prevent recurrence. The TTC Contract

Administrator will, at his/her sole discretion, evaluate the Contractor's explanation and determine whether full payment, partial payment, or the Contract termination process is applicable.

- 3.1.5 Reduce payment or invoice Contractor by a computed amount based on the assessment fee(s) in the PRS.
- 3.1.6 Terminate the Contract for systemic, deliberate misrepresentations or unacceptable levels of performance.
- 3.1.7 Failure of the Contractor to comply with or satisfy the request(s) for improvement of performance or to perform the neglected work specified within ten (10) business days shall constitute authorization for the County to have the service(s) performed by others. The entire cost of such work performed by others as a consequence of the Contractor's failure to perform said service(s), as determined by the County, shall be credited to the County on the Contractor's future invoices for work not performed or in lieu of a credit, County may invoice Contractor for any damages.
- 3.1.8 This section does not preclude the County's right to terminate the Contract upon ten (10) business days written notice with or without cause, as provided for in Paragraph 8, Standard Terms and Conditions, Sub-paragraph 8.41 Termination for Convenience and Sub-paragraph 8.42 Termination For Default of the body of the Contract.

### **3.2 COUNTY QUALITY MONITORING**

On an ongoing basis, Contractor performance will be compared to the Contract standards as set forth in the Performance Requirements Summary. The County may use a variety of inspection methods to evaluate the Contractor's performance. These methods may include, but are not limited to:

- a. Effectiveness of advertising
- b. Conduct of auctions
- c. User complaints
- d. Handling of Court Confirmation process
- e. Handling of Escrow process
- f. Management Information System reported results
- g. 100% inspection of completeness of reports on a periodic basis
- h. Adherence to County policies, procedures, rules and regulations

### **3.3 CRITERIA FOR SATISFACTORY AND UNSATISFACTORY PERFORMANCE**

Performance of a listed service is considered satisfactory when Contractor meets the requirements of the PRS, SOW and/or Contract. When performance is unsatisfactory, TTC may complete a user complaint form as well as a Contract Discrepancy Report (Appendix C, Technical Exhibit 1), and send these to the Contractor. Upon receipt of this document or any other notice, the Contractor is required to respond in writing to the County Contract Administrator within five (5) business days, acknowledging the reported discrepancies or presenting contrary evidence. A plan for correction of all deficiencies identified shall be submitted to the County Contract Administrator as stated in Sub-paragraph 3.1.4.

**EXHIBIT B**  
**PAYMENT SCHEDULE**  
**REAL PROPERTY AUCTIONEERING SERVICES**

**1. Public Administrator/Public Guardian (PA/PG) Real Property Commission Sales Schedule**

TYPE OF PROPERTY	COMMISSION RATE
Real Property	4 %* †
Mobile Homes	0 %*

\*Contractor will absorb all costs of advertising, collateral, auction day expenses, Cooperating Brokers and will provide all personnel, equipment, tools, necessary supplies and supervision relating to PA/PG Real Property sales. Contractor will be compensated at the commission rate indicated above.

† Kennedy Wilson will reduce its commission as follows:

In the event that:

- 1) A decedent, conservatorship or guardianship estate with real property to be sold is insolvent; and
- 2) County has expended its own funds ("revolving fund") for the benefit of the real property being sold; and
- 3) There are no net proceeds from the sale of the real property for repayment of County's loan(s) from the revolving fund; then,

The Contractor will reduce its commission by one-half (from 4% of the purchase price to 2% of the purchase price) or by an amount equal to or commensurate with the amount of the County's revolving fund expenditure, whichever is less, to make available funds to assist in the repayment of said loan(s) from the revolving fund made by County.

**2. Tax Defaulted Property Fixed Daily Rate Sales Schedule**

TYPE OF PROPERTY	FIXED DAILY RATE
Real Property	\$ ** Free
Auctioneer	Mr. Cullum

**\*\* Contractor will provide staff for the provision of auction calling services only. Contractor is not responsible for any sales preparation, advertising, or marketing activities relating to the sale of Tax Defaulted Property. Contractor will be compensated at the fixed daily rate indicated above.**

## **EXHIBIT C**

### **CONTRACT TECHNICAL EXHIBITS**

**EXHIBIT C  
TECHNICAL EXHIBITS  
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# TECHNICAL EXHIBT 1

## CONTRACT DISCREPANCY REPORT

**TO:**

**FROM:**

**DATES:**      **Prepared:** \_\_\_\_\_

**Returned by Contractor:** \_\_\_\_\_

**Action Completed:** \_\_\_\_\_

**DISCREPANCY PROBLEMS:**\_\_\_\_\_

Signature of County Representative

---

Date \_\_\_\_\_

**CONTRACTOR RESPONSE (Cause and Corrective Action):** \_\_\_\_\_

Signature of Contractor Representative

---

Date \_\_\_\_\_

**COUNTY EVALUATION OF CONTRACTOR RESPONSE:**\_\_\_\_\_

Signature of County Representative

Date \_\_\_\_\_

**COUNTY ACTIONS:**\_\_\_\_\_

**CONTRACTOR NOTIFIED OF ACTION:**

County Representative's Signature and Date \_\_\_\_\_

Contractor Representative's Signature and Date \_\_\_\_\_

**TECHNICAL EXHIBIT 2**  
**REAL PROPERTY AUCTIONEERING SERVICES**  
**PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART**

<b>SPECIFIC PERFORMANCE REFERENCE</b>	<b>SERVICE</b>	<b>MONITORING METHOD</b>	<b>DEDUCTIONS/FEEES TO BE ASSESSED</b>
Contract: Paragraph 7.0 - Administration of Contract-Contractor	Contractor shall notify the County in writing of any change in name or address of the Contract Manager.	Inspection & Observation	\$50 per day that notification is late.
Contract: Paragraph 7.0, Contract Manager, & Auction Manager	Notify TTC of changes, with resume, within 5 business days.	Complaints	\$50 per day that notification is late.
Contract: Paragraph 7.5, Background and Security Investigation	Employee Background Checks	Complaints, spot checks of assigned personnel.	\$500 per incident of noncompliance.
Contract: Paragraphs 8.23 and 8.24, Insurance	Maintain required insurance policies.	Receipt and review of insurance information.	\$100 per day late; Contract termination at TTC's option.
Contract: Sub-paragraph 8.37 - Record Retention & Inspection/Audit Settlement	Contractor to maintain all required documents as specified in Sub-paragraph 8.37.	Inspection of files	\$50 per occurrence; \$500 per occurrence if not recovered within 48 hours.
Contract: Sub-paragraph 8.37 - Record Retention & Inspection/Audit Settlement, Subparagraph 8.37.4.	Provide required financial statements according to schedule.	Review of reports	\$50 per each day that report is late.
Contract: Sub-paragraph 8.39 - Subcontracting	Contractor shall obtain County's written approval prior to subcontracting any work.	Inspection & Observation	\$500 per occurrence; possible termination for default of contract.
Contract: Sub-paragraph 7.6, Confidentiality	Employee Acknowledgement and Confidentiality Agreement signed and provided to TTC within 3 working days.	Review of reports; complaints	<ul style="list-style-type: none"> <li>• \$100 per day per employee when form not signed.</li> <li>• \$1,000 per unauthorized release of information.</li> </ul>
SOW: Sub-paragraph 1.2.2, Create individual property file.	Individual property file created and maintained as required.	On-site review of property files.	<ul style="list-style-type: none"> <li>• \$50 per each incomplete file.</li> <li>• \$100 for each file not created.</li> </ul>
SOW: Sub-paragraph 1.4.1, Place "For Sale" sign at property.	Sign placed timely and maintained as required.	Visual checks of properties.	<ul style="list-style-type: none"> <li>• \$50 per day late.</li> </ul>
SOW: Sub-paragraph 1.4.2, Submit marketing plan for each property referred.	Marketing plan submitted timely and complete.	Receipt and review of plan.	<ul style="list-style-type: none"> <li>• \$50 per day late.</li> <li>• \$50 per incomplete plan.</li> </ul>
SOW: Sub-paragraph 1.4.2, Implement marketing plan.	Plan implemented as required.	Review of Plan approved by County's Contract Administrator and advertising media.	<ul style="list-style-type: none"> <li>• \$100 per day of non-compliance.</li> </ul>

**TECHNICAL EXHIBIT 2**  
**REAL PROPERTY AUCTIONEERING SERVICES**  
**PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART**

<b>SPECIFIC PERFORMANCE REFERENCE</b>	<b>SERVICE</b>	<b>MONITORING METHOD</b>	<b>DEDUCTIONS/FEEES TO BE ASSESSED</b>
SOW: Sub-paragraph 1.4.6, Publish legal notice.	Publish appropriate legal notices.	Copy of published notice to file.	<ul style="list-style-type: none"> <li>• \$50 per day per ad not placed.</li> </ul>
SOW: Sub-paragraph 1.5, Public Auction.	Auction conducted as required.	On-site review of auction, review of audiotape or other recorded media	<ul style="list-style-type: none"> <li>• \$500 per incidence of non-compliance.</li> </ul>
SOW: Sub-paragraph 1.5.6, Submit audiotapes or other recorded media of auction.	Audible tapes or other recorded media submitted within 5 working days of auction.	Receipt and review of tapes or other recorded media.	<ul style="list-style-type: none"> <li>• \$50 per day late.</li> <li>• \$100 per inaudible tape or other recorded media.</li> </ul>
SOW: Sub-paragraph 1.8.4, Provide monthly escrow reports.	Monthly reports provided as required.	Receipt and review of reports.	<ul style="list-style-type: none"> <li>• \$50 per day late.</li> <li>• \$100 per incomplete/ inaccurate report.</li> </ul>
SOW: Sub-paragraph 2.3.2, Contractor Employees	Notify TTC in writing of changes in personnel within 5 business days of choosing same.	Receipt and review of employee notices to County.	<ul style="list-style-type: none"> <li>• \$50 per day that notification is late.</li> </ul>
SOW: Sub-paragraph 2.3.2, Confidentiality.	Employee Acknowledgement and Confidentiality Agreement signed and provided within 5 business days.	Review of reports, employee files and completed forms.	<ul style="list-style-type: none"> <li>• \$50 per day per employee when form not submitted.</li> </ul>
SOW: Sub-paragraph 2.4, Maintain written Quality Control Plan.	Quality Control Plan maintained and provided as required.	Receipt and review of plan.	<ul style="list-style-type: none"> <li>• \$50 per each day late.</li> <li>• \$100 if plan is incomplete.</li> </ul>
SOW: Sub-paragraph 2.5, Complaints	Handle complaints as required.	Complaints, review of logs.	<ul style="list-style-type: none"> <li>• \$100 per day late.</li> </ul>
SOW: Sub-paragraph 2.7, Meetings	Contractor's representative to attend monthly meetings.	Attendance.	<ul style="list-style-type: none"> <li>• \$1000 per occurrence.</li> </ul>



**CONTRACTOR'S EEO CERTIFICATION**KENNEDY WILSON, INC.

Contractor Name

9601 WILSHIRE BLVD., SUITE 220, BEVERLY HILLS, CA 90210

Address

95-4364537

Internal Revenue Service Employer Identification Number

**GENERAL CERTIFICATION**

In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

**CONTRACTOR'S SPECIFIC CERTIFICATIONS**

- |  |   |                             |
|--|---|-----------------------------|
| 1. The Contractor has a written policy statement prohibiting discrimination in all phases of employment.   | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 2. The Contractor periodically conducts a self analysis or utilization analysis of its work force.   | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 3. The Contractor has a system for determining if its employment practices are discriminatory against protected groups.  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 4. Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables. | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |

Richard A. Winchell, president

Authorized Official's Printed Name and Title

Richard A. Winchell

Authorized Official's Signature

JUNE 2, 2008

Date

**COUNTY'S ADMINISTRATION**

CONTRACT NO. \_\_\_\_\_

**COUNTY CONTRACT ADMINISTRATOR – PUBLIC ADMINISTRATOR:**

Name: Craig Hendrickson  
Title: Operations Chief  
Address: 320 West Temple Street, 9<sup>th</sup> Floor  
Los Angeles, CA 90012  
Telephone: (213) 974-0404  
Facsimile: (213) 617-7580  
E-Mail Address: [chendrickson@ttc.lacounty.gov](mailto:chendrickson@ttc.lacounty.gov)

**COUNTY CONTRACT MANAGER – PUBLIC ADMINISTRATOR:**

Name: Ilse E. Hipfel  
Title: Assistant Operations Chief  
Address: 320 West Temple Street, 9<sup>th</sup> Floor  
Los Angeles, CA 90012  
Telephone: (213) 974-0419  
Facsimile: (213) 617-7580  
E-Mail Address: [ihipfel@ttc.lacounty.gov](mailto:ihipfel@ttc.lacounty.gov)

**COUNTY CONTRACT SECURED PROPERTY DIVISION LIAISON:**

Name: John McKinney  
Title: Operations Chief  
Address: 225 North Hill Street, Room 130  
Los Angeles, CA 90012  
Telephone: (213) 974-0070  
Facsimile: (213) 680-3648  
E-Mail Address: [jmckinney@ttc.lacounty.gov](mailto:jmckinney@ttc.lacounty.gov)

**COUNTY CONTRACT PROJECT MONITOR:**

Name: Ken Blue  
Title: Head, Staff Services  
Address: 16610 Chestnut Street  
City of Industry, CA 91748  
Telephone: (626) 336-2364  
Facsimile: (626) 330-5709  
E-Mail Address: [kbluel@ttc.lacounty.gov](mailto:kbluel@ttc.lacounty.gov)

# CONTRACTOR'S ADMINISTRATION

**CONTRACTOR'S NAME:** KENNEDY WILSON

**CONTRACT NO:** \_\_\_\_\_

**CONTRACTOR'S CONTRACT MANAGER:**

Name: Richard "Rhett" Winchell  
 Title: Contract Manager/Auctioneer  
 Address: 9601 Wilshire Blvd., Suite 220  
Beverly Hills, CA 90210  
 Telephone: (310) 887-6446  
 Facsimile: (310) 887-6414  
 E-Mail Address: RWinchell@kennedywilson.com

**CONTRACTOR'S ALTERNATE CONTRACT MANAGER:**

Name: Freeman Lyle  
 Title: CFO/Alternate Contract Manager  
 Address: 9601 Wilshire Blvd., Suite 220  
Beverly Hills, CA 90210  
 Telephone: (310) 887-6453  
 Facsimile: (310) 887-3410  
 E-Mail Address: FLyle@kennedywilson.com

**CONTRACTOR'S AUTHORIZED OFFICIAL(S)**

Name: Richard "Rhett" Winchell  
 Title: President  
 Address: 9601 Wilshire Blvd., Suite 220  
Beverly Hills, CA 90210  
 Telephone: (310) 887-6446  
 Facsimile: (310) 887-6414  
 E-Mail Address: [RWinchell@kennedywilson.com](mailto:RWinchell@kennedywilson.com)

Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 \_\_\_\_\_  
 Telephone: \_\_\_\_\_  
 Facsimile: \_\_\_\_\_  
 E-Mail Address: \_\_\_\_\_

**Notices to Contractor shall be sent to the following:**

Name: Richard "Rhett" Winchell  
 Title: President  
 Address: 9601 Wilshire Blvd., Suite 220  
Beverly Hills, CA 90210  
 Telephone: (310) 887-6446  
 Facsimile: (310) 887-6414  
 E-Mail Address: [RWinchell@kennedywilson.com](mailto:RWinchell@kennedywilson.com)

## **FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION**

- G1     CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT
- G2     CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY  
         AGREEMENT
- G3     CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY  
         AGREEMENT

**CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT**

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

CONTRACTOR NAME \_\_\_\_\_ Contract No. \_\_\_\_\_

**GENERAL INFORMATION:**

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires the Corporation to sign this Contractor Acknowledgement and Confidentiality Agreement.

**CONTRACTOR ACKNOWLEDGEMENT:**

Contractor understands and agrees that the Contractor employees, consultants, Outsourced Vendors and independent contractors (Contractor's Staff) that will provide services in the above referenced agreement are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced contract.

Contractor understands and agrees that Contractor's Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Contractor's Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. Contractor understands and agrees that Contractor's Staff will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

**CONFIDENTIALITY AGREEMENT:**

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff understand that if they are involved in County work, the County must ensure that Contractor and Contractor's Staff, will protect the confidentiality of such data and information. Consequently, Contractor must sign this Confidentiality Agreement as a condition of work to be provided by Contractor's Staff for the County.

Contractor and Contractor's Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between Contractor and the County of Los Angeles. Contractor and Contractor's Staff agree to forward all requests for the release of any data or information received to County's Contract Manager.

Contractor and Contractor's Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to Contractor and Contractor's Staff under the above-referenced contract. Contractor and Contractor's Staff agree to protect these confidential materials against disclosure to other than Contractor or County employees who have a need to know the information. Contractor and Contractor's Staff agree that if proprietary information supplied by other County vendors is provided to me during this employment, Contractor and Contractor's Staff shall keep such information confidential.

Contractor and Contractor's Staff agree to report any and all violations of this agreement by Contractor and Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor and Contractor's Staff acknowledge that violation of this agreement may subject Contractor and Contractor's Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

**CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT**

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

Contractor Name \_\_\_\_\_ Contract No. \_\_\_\_\_

Employee Name \_\_\_\_\_

**GENERAL INFORMATION:**

Your employer referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgement and Confidentiality Agreement.

**EMPLOYEE ACKNOWLEDGEMENT:**

I understand and agree that the Contractor referenced above is my sole employer for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon my employer for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

**CONFIDENTIALITY AGREEMENT:**

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by my employer for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between my employer and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than my employer or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract or termination of my employment with my employer, whichever occurs first.

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

**CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT**

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

Contractor Name \_\_\_\_\_ Contract No. \_\_\_\_\_

Non-Employee Name \_\_\_\_\_

**GENERAL INFORMATION:**

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Non-Employee Acknowledgement and Confidentiality Agreement.

**NON-EMPLOYEE ACKNOWLEDGEMENT:**

I understand and agree that the Contractor referenced above has exclusive control for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon the Contractor referenced above for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

**CONFIDENTIALITY AGREEMENT:**

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by the above-referenced Contractor for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between the above-referenced Contractor and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to the above-referenced Contractor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information, and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than the above-referenced Contractor or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me, I shall keep such information confidential.

I agree to report to the above-referenced Contractor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced Contractor upon completion of this contract or termination of my services hereunder, whichever occurs first.

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE

**2.203.010 Findings.**

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies.

**2.203.020 Definitions.**

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
  - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
  - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
  - 3. A purchase made through a state or federal contract; or
  - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-3700 or a successor provision; or
  - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.4.0 or a successor provision; or



Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE

6. A purchase card pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision; or
  7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section A-0300 or a successor provision; or
  8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section PP-1100 or a successor provision.
- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if the lesser number is a recognized industry standard as determined by the chief administrative officer or the contractor has a long-standing practice that defines a full-time schedule as less than 40 hours per week.

**2.203.030 Applicability.**

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable.

**2.203.040 Contractor Jury Service Policy.**

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service.

**2.203.050 Other Provisions.**

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract.

Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE

**2.203.060 Enforcement and Remedies.**

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor.

**2.203.070. Exceptions.**

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
  1. Has ten or fewer employees during the contract period; and,
  2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
  3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

"Dominant in its field of operation" means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

**2.203.090. Severability.**

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

## SAFELY SURRENDERED BABY LAW

# **No shame. No blame. No names.**

**Newborns can be safely given up  
at any Los Angeles County  
hospital emergency room or fire station.**



**In Los Angeles County:  
1-877-BABY SAFE  
1-877-222-9723  
[www.babysafela.org](http://www.babysafela.org)**



**State of California**  
Gray Davis, Governor

**Health and Human Services Agency**  
Grantland Johnson, Secretary

**Department of Social Services**  
Rita Saenz, Director



**Los Angeles County Board of Supervisors**  
Gloria Molina, Supervisor, First District  
Yvonne Brathwaite Burke, Supervisor, Second District  
Zev Yaroslavsky, Supervisor, Third District  
Don Knabe, Supervisor, Fourth District  
Michael D. Antonovich, Supervisor, Fifth District

This initiative is also supported by First 5 LA and INFO LINE of Los Angeles.

**What is the Safely Surrendered Baby Law?**

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn without fear of arrest or prosecution.

**How does it work?**

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially and safely give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, workers will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent.

**What if a parent wants the baby back?**

Parents who change their minds can begin the process of reclaiming their newborns within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

**Can only a parent bring in the baby?**

In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

**Does the parent have to call before bringing in the baby?**

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week so long as the parent gives the baby to someone who works at the hospital or fire station.

**Does a parent have to tell anything to the people taking the baby?**

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

**What happens to the baby?**

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

**What happens to the parent?**

Once the parent(s) has safely turned over the baby, they are free to go.

**Why is California doing this?**

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

**A baby's story**

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed with a loving family while the adoption process was started.

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**Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.**

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***It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.***



# **Sin pena. Sin culpa. Sin peligro.**

**Los recién nacidos pueden ser entregados  
en forma segura en la sala de emergencia de  
cualquier hospital o en un cuartel de bomberos  
del Condado de Los Angeles.**



**En el Condado de Los Angeles:**

**1-877-BABY SAFE**

**1-877-222-9723**

**[www.babysafela.org](http://www.babysafela.org)**



**Estado de California**  
Gray Davis, Gobernador

**Agencia de Salud y Servicios Humanos**  
(Health and Human Services Agency)  
Grantland Johnson, Secretario

**Departamento de Servicios Sociales**  
(Department of Social Services)  
Rita Saenz, Directora



**Consejo de Supervisores del Condado de Los Angeles**

Gloria Molina, Supervisora, Primer Distrito

Yvonne Brathwaite Burke, Supervisora, Segundo Distrito

Zev Yaroslavsky, Supervisor, Tercer Distrito

Don Knabe, Supervisor, Cuarto Distrito

Michael D. Antonovich, Supervisor, Quinto Distrito

Esta Iniciativa tambien esta apollada por First 5 LA y INFO LINE de Los Angeles.

### ¿Qué es la Ley de Entrega de Bebés Sin Peligro?

La Ley de Entrega de Bebés Sin Peligro de California permite a los padres entregar a su recién nacido confidencialmente. Siempre que el bebé no haya sufrido abuso ni negligencia, padres pueden entregar a su recién nacido sin temor a ser arrestados o procesados.

### ¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura, dentro de los tres días del nacimiento. El bebé debe ser entregado a un empleado de una sala de emergencias o de un cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre recibirá un brazalete igual.

### ¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden empezar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles, al 1-800-540-4000.

### ¿Sólo los padres podrán llevar al recién nacido?

En la mayoría de los casos, los padres son los que llevan al bebé. La ley permite que otras personas lleven al bebé si tienen la custodia legal del menor.

### ¿Los padres deben llamar antes de llevar al bebé?

No. El padre/madre puede llevar a su bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, mientras que entregue a su bebé a un empleado del hospital o de un cuartel de bomberos.

### ¿Es necesario que el padre/madre diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital le pedirá que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para los cuidados que recibirá el bebé. Es recomendado llenar este cuestionario, pero no es obligatorio hacerlo.

### ¿Qué ocurrirá con el bebé?

El bebé será examinado y, de ser necesario, recibirá tratamiento médico. Luego el bebé se entregará a un hogar preadoptivo.

### ¿Qué pasará con el padre/madre?

Una vez que los padres hayan entregado a su bebé en forma segura, serán libres de irse.

### ¿Por qué California hace esto?

La finalidad de la Ley de Entrega de Bebés Sin Peligro es proteger a los bebés del abandono por parte de sus padres y de la posibilidad de que mueran o sufran daños. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Es posible que los padres que cometieron estos actos hayan estado atravesando dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus recién nacidos porque tenían miedo y no tenían adonde recurrir para obtener ayuda. El abandono de un recién nacido lo pone en una situación de peligro extremo. Además es ilegal. Muy a menudo el abandono provoca la muerte del bebé. Ahora, gracias a la Ley de Entrega de Bebés Sin Peligro, esta tragedia ya no debe suceder nunca más en California.

### Historia de un bebé

A las 8:30 a.m. del jueves 25 de julio de 2002, se entregó un bebé recién nacido saludable en el St. Bernardine Medical Center en San Bernardino, en virtud de las disposiciones de la Ley de Entrega de Bebés Sin Peligro. Como lo establece la ley, la madre del bebé no se tuvo que identificar. Cuando el bebé llegó a la sala de emergencias, un pediatra lo revisó y determinó que el bebé estaba saludable y no tenía problemas. El bebé fue ubicado con una buena familia, mientras se iniciaban los trámites de adopción.

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Cada recién nacido merece una  
oportunidad de tener una vida saludable.  
Si alguien que usted conoce está pensando  
en abandonar a un recién nacido, infórmele  
qué otras opciones tiene.

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*Es mejor que las mujeres busquen ayuda para recibir atención médica y asesoramiento adecuado durante el embarazo. Pero al mismo tiempo, queremos asegurarles a los padres que optan por no quedarse con su bebé que no irán a la cárcel si dejan a sus bebés en buenas manos en cualquier sala de emergencia de un hospital o en un cuartel de bomberos del Condado de Los Angeles.*